



## PORTUGAL HAS 10 MILLION PEOPLE WHO HAVE MONEY TO SPEND.

The Portuguese retail food market is extremely competitive, and domestic distribution systems are efficient. Hypermarkets, supermarkets, convenience stores, discount stores and specialized stores coexist with the traditional grocery stores and wet markets. In 1998, retail food outlets totaled almost 29,000, and this number is expected to grow from 1 to 3 percent annually over the next five years.

Moreover, the number of restaurants in Portugal has tripled during the last 20 years to some 90,000.

### U.S. Trade Prospects

Market opportunities appear particularly bright for U.S. high-value consumer foods, beverages and seafood. Factors likely to bolster the market include:

- Portuguese consumers have seen their purchasing power increase over the last decade, and they increasingly buy on impulse.
- Direct sales, large supermarkets, hypermarkets and shopping malls are a growing part of Portuguese everyday life.
- Eating habits have changed drastically in the last few years, with more and more people eating "on the run."
- For consumer goods, the decisive selling factors are price, quality, brand name and innovative product features.



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### Best High-Value Product Prospects

- Walnuts
- Peanuts
- Edible dry beans
- Wines, beer and bourbon
- Fruit juices and other non-alcoholic beverages
- Seafood (lobster, salmon, frozen items)
- Frozen vegetables (including french fries)
- Microwavable food products
- Ready-to-eat food products
- Processed fruits and vegetables



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- Dried fruits and dried fruit mixes
- Sauces and condiments
- Snacks
- Breakfast cereals
- Low-calorie products
- Food supplements and health foods
- Herbal teas
- Pet food
- Organic food products
- Ethnic foods



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- Portugal's total market for consumer-oriented agricultural products was \$2.2 billion in 1999, with yearly growth expected at 3 percent through 2005. The market for edible fish products was just over \$1 billion in 1999, with an expected annual growth rate of 2 percent through 2005.

### Exporter Business Tips

Success in introducing a product into the Portuguese market depends on acquiring good local representation and making personal contact. The advantages of local representation include market knowledge, up-to-date information and guidance on business practices and trade laws, sales contacts and market development expertise.

English is widely spoken in Portugal. Therefore, U.S. exporters can expect to conduct their meetings with private and government contacts in English.

U.S. firms getting involved in the Portuguese market should remember that modern sales techniques coexist with traditional practices. For example, many Portuguese business people still consider personal contact and a handshake a stronger bond than a contract. But they will not be offended if a formal contract is requested. As in any business undertaking, U.S. firms

are strongly advised to check prospective partners' bona fides and obtain written agreements.

Portugal follows EU rules and regulations that govern food trade. Portugal applies import duties according to maximum and minimum tariff rate schedules. The minimum schedule applies to U.S. products.

The following documents are required for ocean or air shipments of food products to Portugal:

- Bill of lading and airway bill (2 copies)
- Commercial invoice (2 copies)
- Phytosanitary certificate and/or health certificate
- Import certificate (usually obtained by the Portuguese importer) ■

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